



NORTH CAROLINA GENERAL ASSEMBLY

Session 2021

Legislative Retirement Note

Short Title: Line of Duty Death Benefits for 911 Operators.
Bill Number: House Bill 741 (First Edition)
Sponsor(s): Representatives Boles, Miller, Logan, and Willingham

SUMMARY TABLE

ACTUARIAL IMPACT OF H.B. 741, V. 1 (\$ in thousands)

	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>
State Impact					
General Fund	40	40	40	40	40
Highway Fund	-	-	-	-	-
Other/Receipts	-	-	-	-	-
TOTAL STATE EXPENDITURES	40	40	40	40	40

ACTUARIAL IMPACT SUMMARY

Systems Affected: Line of duty death benefits under Article 12A of Chapter 143 of the General Statutes

House Bill 741 (First Edition) defines telecommunicator as a person qualified to provide 911 call taking employed by a public safety answering point and extends the \$100,000 line-of-duty death benefit in Article 12A of Chapter 143 of the General Statutes to telecommunicators who die by heart attack or stroke in the course of employment or during travel to or from work.

Cavanaugh Macdonald, the actuary for the retirement systems, estimates that the numbers of qualifying deaths per year will be somewhat less than 0.04% of 3,750. Thus, the amount of additional death benefits and the needed recurring appropriation would be somewhat less than $0.04\% \times 3,750 \times \$100,000 = \$150,000$ per year.

Hartman & Associates, the actuary for the General Assembly, estimates that the bill will increase death benefits and thus the needed annual recurring appropriation by \$40,000.

For purposes of the summary table above, we have used the estimate from Hartman & Associates.

ASSUMPTIONS AND METHODOLOGY

Both actuaries used data from the U.S. Bureau of Labor Statistics and N.C. Department of Commerce on the number of telecommunicators in North Carolina and U.S. Centers for Disease Control data on the incidence of heart attack and stroke.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Cavanaugh Macdonald Consulting, LLC, "Line of Duty Death Benefits for 911 Operators - HB 741", May 8, 2021, original of which is on file in the General Assembly's Fiscal Research Division.

Hartman & Associates, LLC, "House Bill 741: An Act Providing Line of Duty Death Benefits for Telecommunicators", May 8, 2021, original of which is on file in the General Assembly's Fiscal Research Division.

LEGISLATIVE ACTUARIAL NOTE – PURPOSE AND LIMITATIONS

This document is an official actuarial analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described above. This document only addresses sections of the bill that have projected direct actuarial impacts on State or local government retirement systems and does not address sections that have no projected actuarial impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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Signed copy located in the NCGA Principal Clerk's Offices